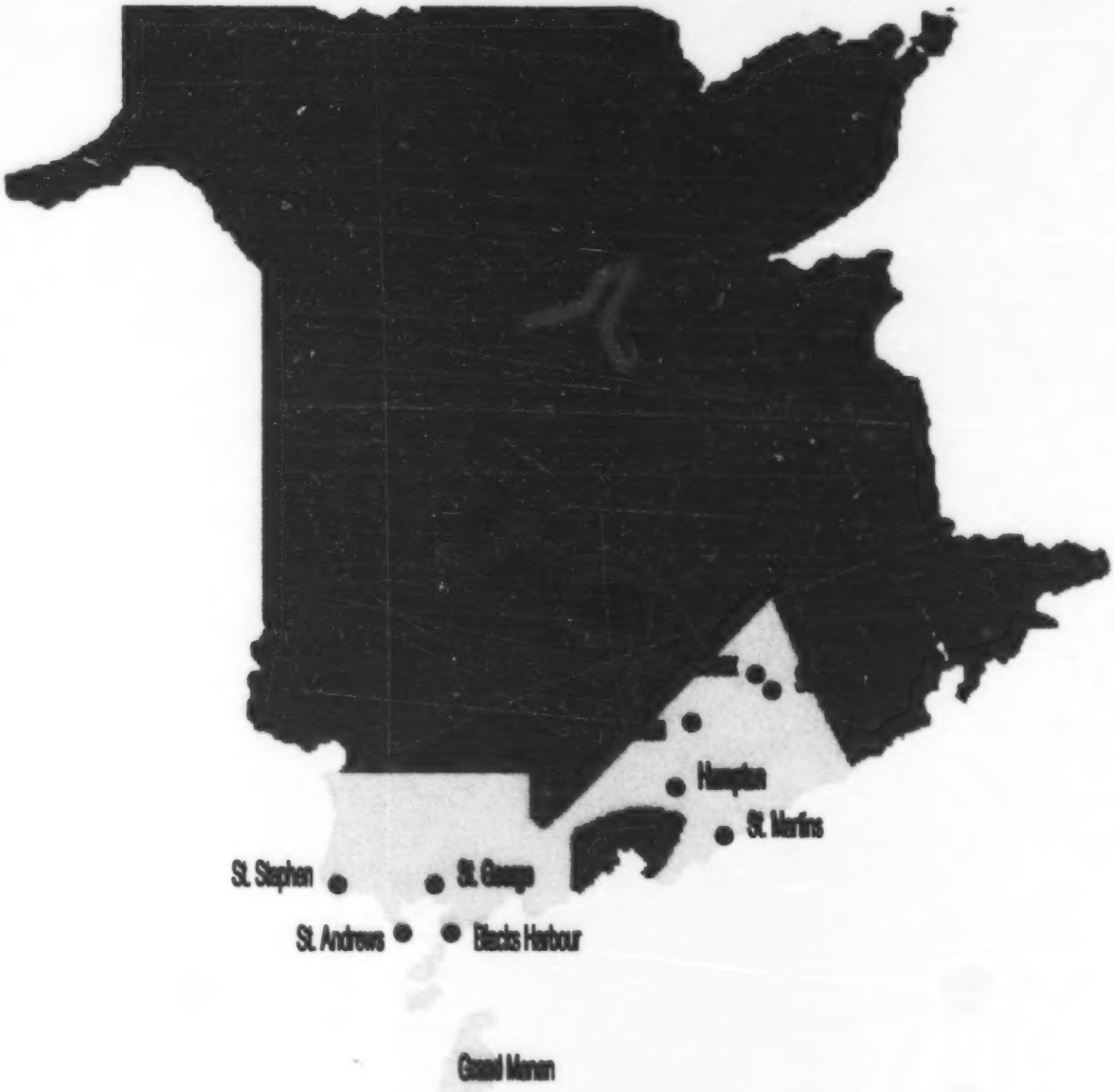
FUNDY REGION
Development Commission Inc.



Representing Rural Kings, Charlotte and St. John Counties

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1.0 CHAIRMAN'S REPORT

Mr. Gerald Ingersoll
Chairman

The Fundy Region Development Commission has had a successful past year as we co-located in Sussex and St. Andrews and created a new service model within the current operating support. I would like to thank the staff of the FRDC for their caring and tireless effort in establishing our new centres in Sussex and St. Andrews and to the Directors of the FRDC who have ably given of their time, interest and support for the community based economic development model that the FRDC provides.

I particularly would like to pay tribute to our past General Manager, Jim Balcomb. Jim had been General Manager of the Commission through seven years and helped the Commission provide quality service through several different models of operation. Most recently, Jim led the effort as we left our linkage with the City of Saint John and created the rural Commissions that are established in Sussex and St. Andrews.

As a result of the current funding formula, the General Manager's position was eliminated as an operation model and as of May 12, 2000, Jim has taken his leave to build his career in other areas. Appreciation and thanks from the Commission and the communities we represent goes to Jim for his excellent contribution to our work during his tenure with us.

During the last year, we saw the activation of a community based planning group that developed a model for community economic development based on the concept of the "community of interest" in economic development. This model recommended the establishment of strong local organizations in the Kings County and Charlotte County areas. These community based economic development groups will continue to do the general work of the Economic Development Commission, as well as develop a proactive model for expressing the collective economic development goals of the county region and support economic growth that would create tangible support throughout the community of interest region.

Our thanks go to the community volunteers who worked on that study group. It is hoped that in the next year we can move closer to that model to help develop a sustainable and effective community development model.

In closing, I would like to thank the Directors who have finished their service with the Commission this year. In particular, I would like to mention Neil McKelvey who has served as a Director on the Fundy Region Development Commission and past chair. Neil served as chair of the larger Commission and helped steer the transition to the county based operations that we have today. His contributions as a community volunteer are greatly appreciated and the best wishes of the Board go with him.

I would like to thank the three levels of government that support our Commission: the Federal Government through ACOA; the Provincial Government through Business New Brunswick; and the municipalities of our economic development region. We appreciate the opportunity to contribute to the all important economic development aspects of our communities. Without the strong development and planning work for new and renewed businesses, the quality of life in our region would suffer greatly. Thanks to all who contribute to this fine work.

Gerald Ingersoll
Chairman

2.0 BOARD OF DIRECTORS AND STAFF

Board of Directors (as of March 31, 2000):

Member Municipality	Directors	Occupation
Sussex	Gil Carter *Secretary*	Manager, Quartzitec
St. George	Stan Smith	Quality Control Technician, Jamer Materials
St. Andrews	William Robertson	Manager of East Coast Operations, Connors Bros. Ltd.
St. Martins	Barb McIntyre *Vice-Chairman*	Securities Registration Officer
Sussex Corner	Garth Long *Treasurer*	Financial Planner, Regal Capital Planners Ltd.
Grand Manan	Joey Green	Fisherman
Saint John	Neil McKelvey, OC, QC *Past Chairman*	Counsel, Stewart McKelvey Stirling Scales
	Peter Frye *Executive-at-Large*	President, Bayside Stevedoring
	Gerald Ingersoll *Chairman*	Principal, New Brunswick Community College - St. Andrews
Village of Norton	Oscar Boyd	Mayor of Norton, Retired School Teacher

EXECUTIVE OFFICERS

Gerald Ingersoll	Chairman
Neil McKelvey	Past Chairman
Barb McIntyre	Vice Chairman
Gil Carter	Secretary
Peter Frye	Executive-at-Large
Garth Long	Treasurer

BOARD OF DIRECTORS/COMMITTEE MEETINGS

Three board and nine executive meetings were held during the 1999/00 fiscal year.

COMMISSION STAFF/OPERATIONS

James Balcomb, BSc (Dalhousie), MBA (UNB)	General Manager
Michael Rouse, BBA, BEd (UNB), EcD.	Economic Development Officer
Joan Davidson	Administration
Ken Watkins	Economic Development Officer
Tami Johnson	Aboriginal Youth Internship Program

3.0 BUSINESS COUNSELLING

3.1 Client Contact

During the past year, Commission staff have assisted **1005** clients at the offices in St. Andrews and Sussex, municipal offices and at the entrepreneurs' place of business.

These contacts include:

♦ Visits to Clients	272
♦ In Office Client Visits	304
Total	**576**

Assistance was also provided to an estimated **429** individuals by telephone, mail or e-mail.

3.2 Client Counselling

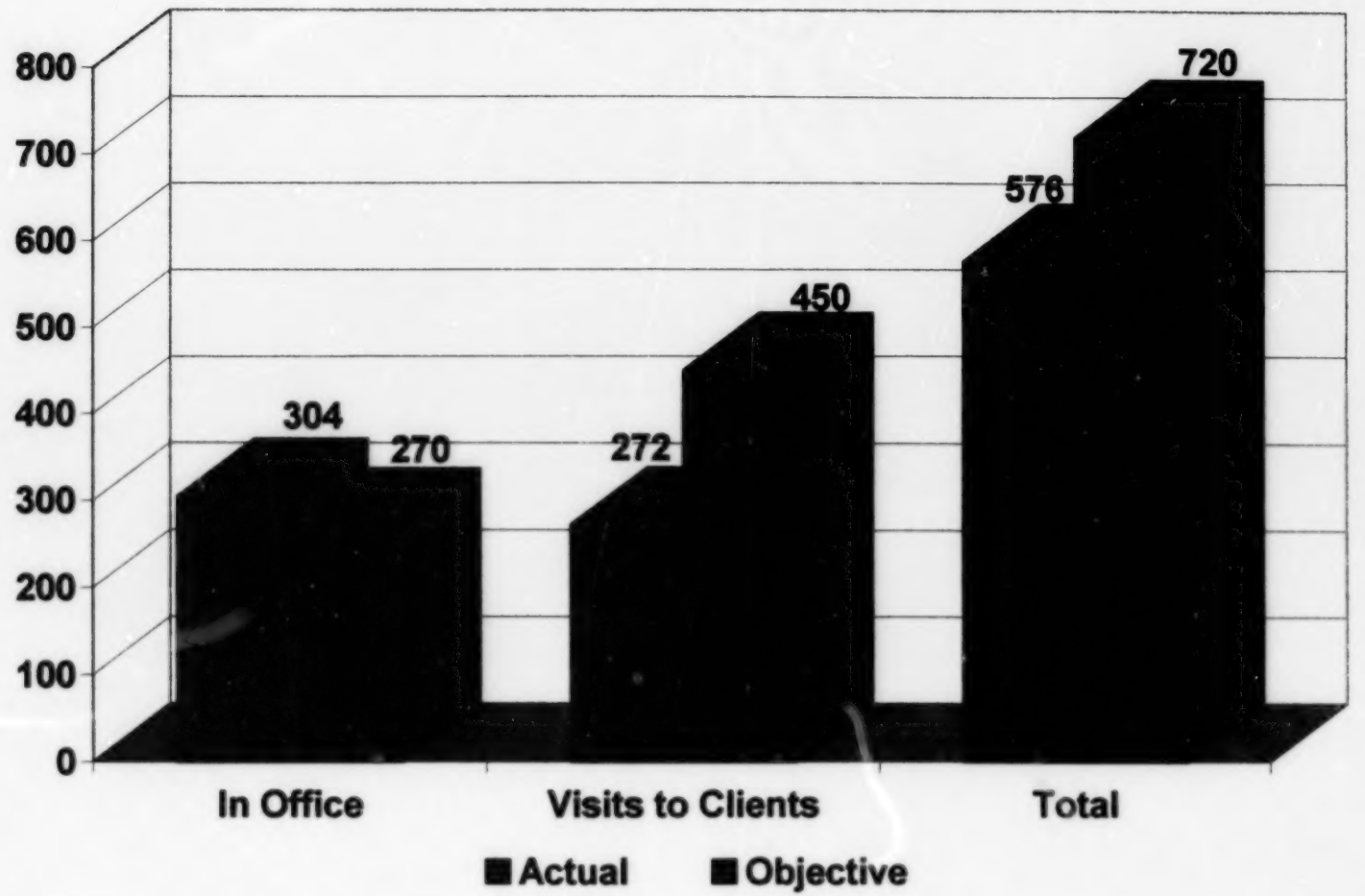
Commission staff continues to offer assistance, advice and guidance in the establishment of new businesses and to help existing businesses grow in order to foster economic development in all sectors of the economy.

The Commission also assisted with the preparation of business plans, and advice regarding government assistance programs.

3.3 New Businesses Created

With the assistance of the Commission's Economic Development Officers, **24** new businesses were established and **8** businesses expanded during the 1999/00 fiscal year.

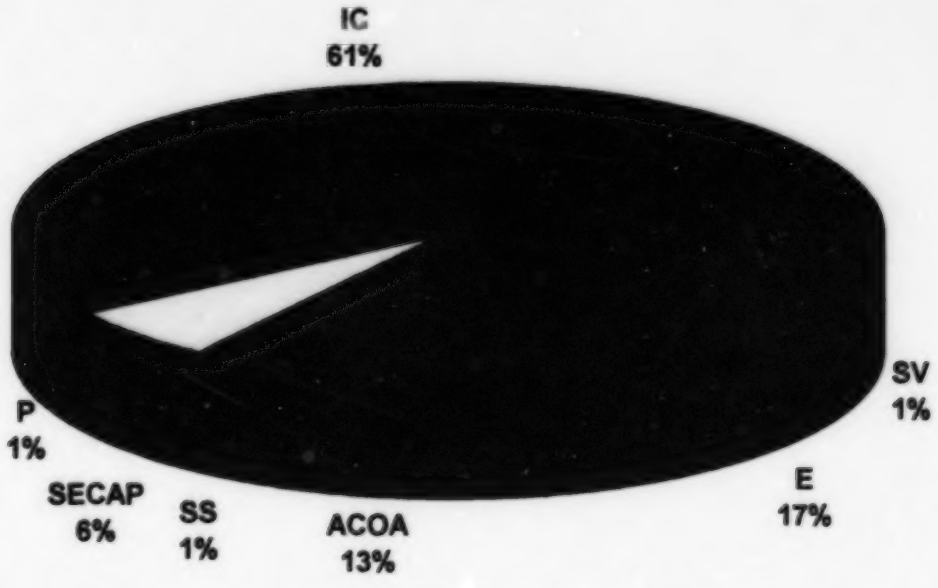
Client Contact - Fiscal Year 1999/00



ALLOCATION OF HUMAN RESOURCES

(A) CLIENT COUNSELLING

Percentage of Time Spent on Programs



Legend

IC - General Information and Counselling
P - Partners Program (Advanced Education and Labour)
SECAP - Small Entrepreneur Capital Assistance Program (Economic Development Tourism and Culture)
SS - Self-Start Program (EDT&C)
SV - Student Venture (Advanced Education and Labour)
ACOA - Atlantic Canada Opportunities Agency
E - Entrepreneur Program (Advanced Education and Labour)

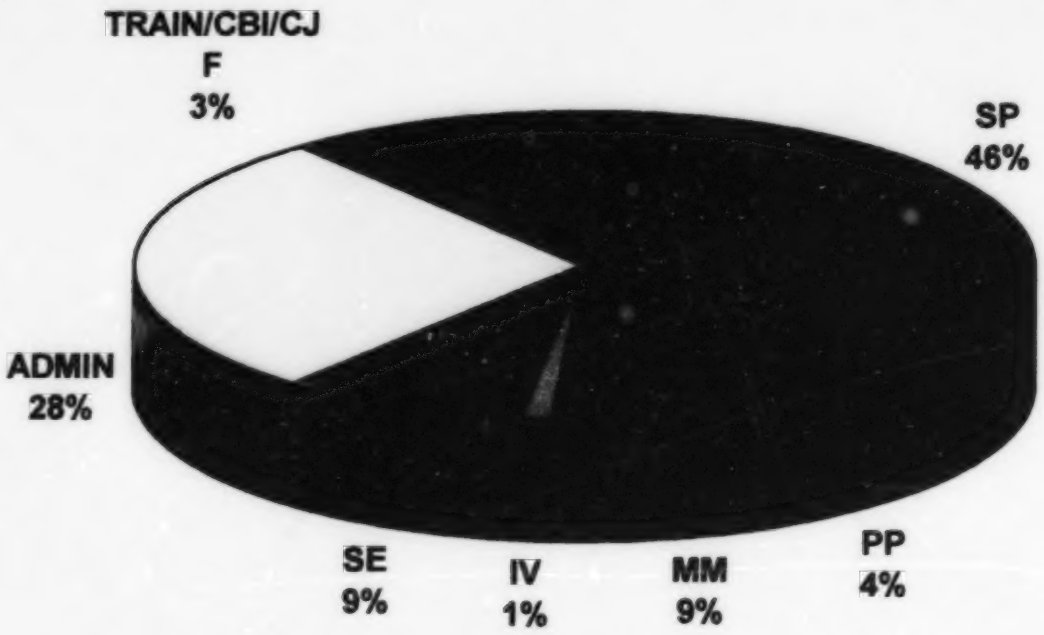
The majority of the time of the Commission's Economic Development Officers with clients is spent on general information and counselling. This confirms the function of the FRDC as being the first point of contact for the regions entrepreneurs.

Subsequent meetings are usually focused on a specific applicable government assistance program(s) and/or may include other related economic development partners such as the department of Agriculture and Rural Development, Economic Development, Tourism and Culture, Advanced Education and Labour, Business Development Bank, Community Business Development Corporation and many others.

ALLOCATION OF HUMAN RESOURCES

(B) NON-CLIENT COUNSELLING

Percentage of Time Spent on Non-Client Counselling Activitites



Legend - Programs

SP - Special Projects
SE - Special Events
PP - Presentation and Promotion
MM - Membership Meetings
IV - Incoming Visitors (Foreign investment)
Staff - Staff Meetings
Train - Staff Training
Admin - Administration
CJF - Canada Job Fund (mailout)
CBI - Community Base Initiative

The Commission staff promotes economic develpment in many other ways besides direct client business counselling. This chart demonstrates some of the regional economic development activities the Commission participates in.

4.0 PROGRAM ACTIVITY AND APPROVALS

4.1 Total Program Activity

Program	Objective	Actual	Total Value of Assistance
ACOA - Business Development Program	8	6	$448,645
SEED Program	10	0	$0
Self - Start	0	2	$20,000
SECAP - Small Entrepreneur Capital Assistance Program	14	9	$254,482
Student Venture	7	1	$3,000
Entrepreneur	20	14	$117,000
TOTAL	**59**	**32**	**$843,127**

4.2 Program Approvals

The Fundy Region's business community received financial assistance through government programs to establish new businesses or for expansion of existing businesses. The following is a breakdown of funding by county, as well as a list of companies which received the funding:

County	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Financial Assistance Received
St. John County	------	------	------	------	**N/A**
Kings County	23,000	172,467	28,970	------	**$224,437**
Charlotte County	329,604	27,090	191,116	70,880	**$618,690**
Total Funding	**$352,604**	**$199,557**	**$220,086**	**$70,880**	**$843,127**

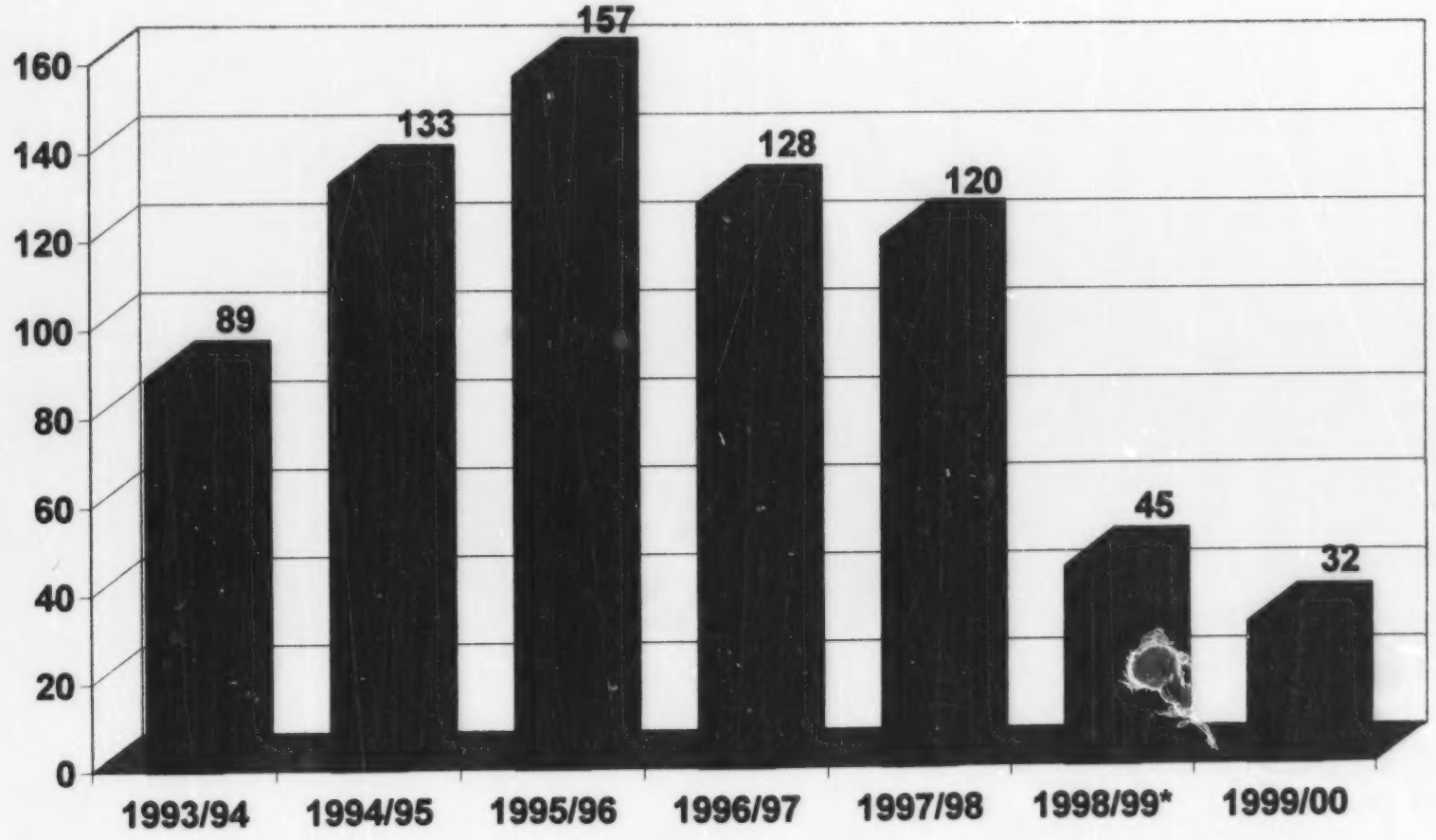
PROGRAM SUMMARY - APRIL 1, 1999 - MARCH 31, 2000 KINGS COUNTY				
	Applicant	**Location**	**Program**	**Amount**
1.	The Hop "N" Grape	Kings County	Entrepreneur	10,000
2.	Jack Massey Chair	Kings County	Entrepreneur	10,000
3.	Sully's Ice Cream Parlour	Kings County	Student Venture	3,000
4.	The Furniture Strippers	Kings County	Self Start	10,000
5.	Shoreline Industrial Services Inc.	Kings County	Entrepreneur	1,000
6.	Adair Wilderness Lodge Ltd.	Kings County	SECAP	50,000
7.	Reickers Truck Wash	Kings County	SECAP	30,992
8.	Adair Wilderness Lodge Ltd.	Kings County	ACOA	80,475
9.	B&C Massage Therapist	Kings County	SEB	11,250
10.	B&C Massage Therapist	Kings County	Entrepreneur	10,000
11.	Added Touch Pet Grooming	Kings County	Entrepreneur	3,000
12.	Evelyn's Bed & Breakfast	Kings County	SECAP	4,720
TOTAL FOR KINGS COUNTY				**$224,437**

PROGRAM SUMMARY - APRIL 1, 1999 - MARCH 31, 2000 ST. JOHN COUNTY				
	Applicant	**Location**	**Program**	**Amount**
1.				------
TOTAL FOR ST. JOHN COUNTY				**N/A**

PROGRAM SUMMARY - APRIL 1, 1999 - MARCH 31, 2000 CHARLOTTE COUNTY				
	Applicant	**Location**	**Program**	**Amount**
1.	Trims By Kim Beauty Salon	Charlotte County	Entrepreneur	5,500
2.	Bocabec General Store	Charlotte County	Entrepreneur	10,000
3.	Leighton's Music	Charlotte County	Entrepreneur	10,000
4.	Katie Bishop	Charlotte County	Entrepreneur	5,000
5. *	Aqua Vet Services	Charlotte County	SECAP	45,000
6.	Hole-In-The-Wall Park/Campground	Charlotte County	SECAP	4,600
7.	Interactive Outdoors Ltd.	Charlotte County	SECAP	30,000
8.	Milltown Machine & Fabrication	Charlotte County	ACOA	178,000
9. *	Interactive Outdoors Ltd.	Charlotte County	ACOA	41,504
10. *	Wolf Head Smokers	Charlotte County	SECAP	27,090
11. *	Future Nets & Supplies Ltd.	Charlotte County	SECAP	50,000
12.	Tidal Tech Enterprises Ltd.	Charlotte County	ACOA	121,212
13.	Future Nets & Supplies Ltd.	Charlotte County	ACOA	19,904
14.	John Anderson	Charlotte County	Self Start	10,000
15.	John Anderson	Charlotte County	ACOA	7,550
16.	John Anderson	Charlotte County	SEB	11,250
17.	John Anderson	Charlotte County	SECAP	12,080
18.	Island Esthetics	Charlotte County	Entrepreneur	10,000
19.	Precision Hardwood Milling	Charlotte County	Entrepreneur	10,000
20.	The Jim Day Company	Charlotte County	Entrepreneur	10,000
TOTAL FOR CHARLOTTE COUNTY				**$618,690**

***Please Note:** The projects indicated with an asterisk also received funding from ACOA, EDT&C or CJF, totaling $173,363 through the assistance of the FRDC.

New Business Starts and Expansions With FRDC Assistance



* FRDC restructured

5.0 SPECIAL PROJECTS AND EVENTS

During the year, staff and board members participated in a number of special projects and events.

5.1 Special Projects

Job Fair in St. Andrews

The FRDC was a lead participant in the Charlotte County Job Fair Committee. Partnering with several other organizations. The Job Fair, held on April 15, 1999, hosted 25 organizations, including 15 companies representing over 300 jobs. Close to 700 people attended the fair.

Housing Development in Blacks Harbour

The FRDC, working with the Village of Blacks Harbour, has played a coordinating role in regard to a potential housing development in Blacks Harbour.

Charlotte County Aquaculture & Fish Processing Adjustment Committee

The FRDC is a lead partner and has played a coordinating role in the establishment and continuing work of this Adjustment Service Initiative Committee (ASI). The members of the Committee are from industry and government and are working on meeting the industry's growing demand for human resources.

Manufacturing Sector Profiles

In January and February 1999, the FRDC organized and carried out a series of meetings with businesses in selected industries within the region. In partnership with EDT&C sector officers and ACOA development officers, these meetings focused on the plans and priorities of individual businesses, as well as industry wide issues.

Export Awareness Trade Sessions

The FRDC, in partnership with ACOA, hosted two export awareness sessions in November and December 1999. Companies attending the sessions were export ready and received an introductory presentation on exporting to foreign countries. One on one sessions were held after the group presentation with a more in depth session available for businesses wishing to learn more about how to export

Job Fair - Sussex

Approximately 200 persons visited the fair, held May 27, 1999, at which 12 separate businesses and government departments were represented. Analysis of the exit interview provided data on age and work experience of the attendees and this information was provided to our Economic Development Partners.

Call Centre Orientation Training

In response to Virtual Agents Services announcing their intention to set up in Sussex, the FRDC agreed to solicit applications for employment on behalf of the company. Following a series of ads, over 400 applications were received and a data-base established based on the company's criteria. Working with representatives of VAS, it was identified that the likely candidate group numbering over 200 applicants, would benefit from a two day training experience to acquaint them with Call Center industry practices. Three separate training sessions were scheduled from July to September with the funding commitment of HRD-NB. The NBCC – Saint John Campus was contracted to provide the training and 75 individuals participated. Initially VAS hired 35 persons and following intensive in-house training their graduation was held in October 1999.

ISO 9000 Information Breakfast

With the funding support of the Business Development Bank of Canada, the FRDC arranged a Breakfast information Session on October 5, 1999, in Sussex. Approximately 16 local business owners attended and the BDC-Consulting Group made a presentation on their ISO 9000 group training process. Following the event, 5 businesses accepted the challenge and are working towards their ISO 9000 certification.

Tourism – "It's Your Future"

An evening information session was held in St. Martins on October 14, 1999 with over 45 participants. All Economic Development Partners including Brenda Collings – ACOA, Frank Milligan – EDT&C, Scott Walker – Dept of Labour, Phil Parlee – DARD, Jane Hanley – HRDC and Paul Beals – CBDC made short presentations. Additional presentations were made by FRDC and by Jim Balcomb representing the Fundy Trail. Based on discussions from this meeting, the Chamber of Commerce began a process to establish a Tourism Committee and a Community Marketing Initiative.

Focus Group – E Commerce

The Province of NB "Information Highway Group" requested that the FRDC organize a focus group composed of 3 experienced and 3 novice internet savvy business owners. The all day session was held in Sussex on December 22, 1999. The participants' responses will form input into a renewed provincial plan to support the business use of E-Commerce.

The N.B. Tourism Assistance Policy

An evening information session was held in Sussex February 17, 2000, with over 20 participants from the Hospitality/Accommodation sector present. Guest speakers included Steve Galianos – Project Executive with EDT&C, Emery LeGreasley – NB Tourism Grading Inc. and Dallas Boudreau – District Fire Marshal's Office. The session allowed the participants to seek out in depth answers to recent changes to policy. The following day an afternoon meeting with operators in the St. Martins area and Steve Galianos was arranged with four operators attending.

Bankers, Lawyers and Accountants Information Session

The FRDC, on behalf of the Charlotte County Partners, organized and hosted an information session for bankers, lawyers and accountants in November 1999. Linda MacDonald of ACOA and Scott Walker of the Department of Labour explained the work of the various agencies and departments. This presentation was followed by a general discussion.

5.2 Special Events

Y2K Computer Luncheon

The FRDC, in partnership with ACOA and EDT&C, hosted a Y2K Computer Luncheon in June 1999. The presentation by EDT&C focussed on issues businesses must understand in regard to being prepared for Y2K.

Press Conference

On April 13, 1999, the FRDC organized and hosted a major press conference in the St. Stephen Business Park announcing the opening of Crown Tanks, Sticks and Stones Manufacturing and the relocation and expansion of SWP Industries. Premier Camille Theriault, Minister of EDT&C Roly McIntyre, Minister of Health and MLA for Charlotte West Anne Breault attended the announcements.

6.0 PROMOTION OF THE REGION

The FRDC maintains a number of databases on the region for use by entrepreneurs in the development of their business plans and by outside firms and the Investment Division of EDT&C in their business prospecting activities. These include available human resources by occupation; available land and buildings in the Fundy Region's four industrial parks; and a listing of the region's businesses by location, name and sector.

7.0 TRAINING

Staff attended the following workshops and training sessions as part of their career professional development:

- BizSTOP.com – Training on the web
- NBCC – St. Andrews – Computer upgrading
- Sussex Corner Access Centre – Computer upgrade on Microsoft Office/Access
- Pre-Export Trade Awareness Session
- E-Commerce
- IT Works 1999 (Saint John)
- Aboriginal Youth Internship Program
  - Business Advisors Information Session (St. Andrews)
  - Intern Workshop (Fredericton)
  - Pre-Export Trade Awareness Session (St. Andrews)
  - A New Day: Entrepreneurhship, Leadership & Aboriginal Youth Conference (Fredericton)

8.0 FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

FUNDY REGION DEVELOPMENT COMMISSION INCORPORATED

March 31, 2000

AUDITORS' REPORT

To the Board of Directors of
Fundy Region Development Commission Incorporated

We have audited the statement of financial position of the **Fundy Region Development Commission Incorporated** as at March 31, 2000 and the related statement of operations and changes in fund balances for the year then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in Canada. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2000 and the results of its operations and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in Canada adopted for New Brunswick municipalities.

Saint John, Canada,
May 31, 2000.

Chartered Accountants

Fundy Region Development Commission Incorporated

STATEMENT OF FINANCIAL POSITION

As at March 31, 2000

	2000				1999
	General Fund	Capital Fund	Reserve Fund	Total	Total
	$	$	$	$	$
ASSETS					
Current					
Cash	2,866	—	102,142	105,008	105,284
Accounts receivable	5,810	—	—	5,810	38,194
Prepaid	517	—	—	517	1,930
	9,193	—	102,142	111,335	145,408
Fixed					
Computer equipment	—	6,066	—	6,066	6,066
Vehicle	—	26,464	—	26,464	26,464
	9,193	32,530	102,142	143,865	177,938
LIABILITIES AND EQUITY					
Current					
Accounts payable and accrued charges	8,918	—	—	8,918	14,278
Deferred revenue *[note 4]*	8,194	—	—	8,194	23,834
	17,112	—	—	17,112	38,112
Equity					
Investment in assets	—	32,530	—	32,530	32,530
Internally restricted	—	—	102,142	102,142	98,020
Surplus (deficit)	(7,919)	—	—	(7,919)	9,276
	(7,919)	32,530	102,142	126,753	139,826
	9,193	32,530	102,142	143,865	177,938

See accompanying notes

Fundy Region Development Commission Incorporated

STATEMENT OF REVENUE AND EXPENSES

As at March 31, 2000

	2000			1999
	General Fund $	Reserve Fund $	Total $	Total $
Revenue				
Cooperation Agreement	232,199	—	**232,199**	245,925
Province of New Brunswick	9,435	—	**9,435**	18,565
Municipal members *[note 3]*	13,149	—	**13,149**	18,134
Rent revenue	—	—	—	7,201
Special Projects	43,919	—	**43,919**	44,428
Challenge grants	3,630	—	**3,630**	3,759
Interest	778	4,122	**4,900**	5,895
	303,110	4,122	**307,232**	343,907
Expense				
Salaries and benefits	185,856	—	**185,856**	218,159
Special Projects	46,734	—	**46,734**	48,405
Office occupancy *[note 5]*	10,188	—	**10,188**	13,944
Travel	7,441	—	**7,441**	21,429
Telephone and postage	20,289	—	**20,289**	17,281
Restructuring expenses	1,492	—	**1,492**	15,991
Office equipment	8,767	—	**8,767**	12,040
Training and development	3,299	—	**3,299**	6,007
Directors' expenses	6,092	—	**6,092**	6,217
Office supplies	4,901	—	**4,901**	5,682
Promotion	3,921	—	**3,921**	4,906
Automobile - maintenance	6,631	—	**6,631**	6,208
Professional fees	6,391	—	**6,391**	6,084
Automobile - principal repayments- & interest	—	—	—	4,035
Subscriptions and associations	3,110	—	**3,110**	2,494
Insurance	2,751	—	**2,751**	2,648
Other	1,761	—	**1,761**	2,005
Bank charges	681	—	**681**	800
	320,305	—	**320,305**	394,335
Surplus (Deficit) from operations	(17,195)	4,122	**(13,073)**	(50,428)

See accompanying notes

Fundy Region Development Commission Incorporated

STATEMENT OF CHANGES IN FUND BALANCES

As at March 31, 2000

	2000				1999
	General Fund $	Capital Fund $	Reserve Fund $	Total $	Total $
Fund balances, beginning of year	9,276	32,530	98,020	139,826	186,398
Surplus (Deficit) from operations	(17,195)	—	4,122	(13,073)	(50,428)
Repayment of long-term Interfund loans	—	—	—	—	3,856
Fund balances, end of year	(7,919)	32,530	102,142	126,753	139,826

See accompanying notes

Chairman

Treasurer

Fundy Region Development Commission Incorporated

NOTES TO FINANCIAL STATEMENTS

As at March 31, 2000

1. PURPOSE OF THE ORGANIZATION

The Fundy Region Development Commission Incorporated ["Commission"] is incorporated, without share capital, under the laws of the Province of New Brunswick.

The mandate of Fundy Region Development Commission is to foster economic development in all sectors of the economy for rural Charlotte, Kings and St. John Counties. The Commission works with entrepreneurs and all levels of government to encourage and assist in the establishment of new businesses, to help existing business grow, and to einforce the local economic mix by attracting new business from outside the Region. Effective June 1, 1998, Saint John and surrounding municipalities were governed by The Greater Saint John Economic Development Commission Incorporated.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Commission have been prepared to conform in all material respects to the accounting principles prescribed for New Brunswick municipalities by the Department of Municipalities, Culture and Housing.

Fund accounting

In order to ensure observance of the limitations and restrictions placed on the use of resources available to the Commission, the accounts of the Commission are maintained in accordance with the principles of fund accounting. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the donors or in accordance with directives issued by the Board of Directors. Transfers between the Funds are made when it is considered appropriate and authorized by the Board of Directors. To meet these objectives of financial reporting and stewardship over assets, certain Interfund transfers are necessary to ensure the appropriate allocation of assets and liabilities to the respective funds. These Interfund transfers are recorded as a component of changes in fund balances.

For financial reporting purposes, the accounts have been classified into the following funds:

(a) General Fund

The General Fund accounts for the Commission's operational activities. The General Fund reports unrestricted resources available for immediate purposes.

Fundy Region Development Commission Incorporated

NOTES TO FINANCIAL STATEMENTS

As at March 31, 2000

2. SIGNIFICANT ACCOUNTING POLICIES [continued]

(b) Reserve Fund

The Reserve Fund reports, as revenue, resources that are to be used for specific purposes as specified by the Board of Directors and, as expenses, the use of these resources for the specified purposes.

(c) Capital Fund

The Capital Fund reports resources that are required to be maintained by the Commission on a permanent basis.

Revenue recognition

Major sources of revenue are recorded on an accrual basis.

Expenditure recognition

Expenditures are recorded on an accrual basis. Outstanding commitments for goods and services relating to the current year are accrued at the balance sheet date.

Property and equipment

Capital assets and projects in progress are recorded at cost. The Commission does not record depreciation on its property and equipment. Funds received through capital assistance programs, cost sharing arrangements or by way of loan forgiveness are treated as additions to equity in capital assets. Equipment and furniture are expensed as the costs are incurred. The amount expensed in 1999/2000 was $2,747 (1998/1999 - $4,310).

Fundy Region Development Commission Incorporated

NOTES TO FINANCIAL STATEMENTS

As at March 31, 2000

3. MUNICIPAL MEMBERS' REVENUE

The Province of New Brunswick, through the Department of Economic Development & Tourism, and the participating municipalities provide operating funds to the Commission based on the approved budgeted expenditures of the Commission. Participating municipalities and their contributions to operations are as follows:

Municipal unit	2000 $	1999 $
Norton	1,390	—
Saint John	—	1,877
Sussex	4,293	5,305
Hampton	—	3,105
St. Andrews	1,752	3,080
St. George	1,414	1,545
St. Martins	386	550
Sussex Corner	1,337	1,346
Grand Manan	2,577	1,326
	13,149	18,134

4. DEFERRED REVENUE

Deferred revenue consists of the following:

	2000 $	1999 $
Cooperation Agreement IV	8,194	8,204
Restructuring reimbursement	—	9,435
BDC Seminars	—	6,195
	8,194	23,834

Approval has been granted to carry these forward for expenditure in fiscal 2000.

NOTES TO FINANCIAL STATEMENTS

As at March 31, 2000

5. LEASE COMMITMENT

The Commission has entered into two agreements to lease their premises, one in Sussex and the other in St. Andrews for a total minimum annual charge of $13,787. In the case of the Sussex office, the commission is reimbursed half the rent ($4,270) for shared office space. The lease at the Sussex office is month to month and the lease in St. Andrews is for five years, ending 2004.

6. STATEMENT OF CHANGES IN FINANCIAL POSITION

A separate statement of changes in financial position is not presented since cash flows from operating, investing and financing activities are readily apparent from the other financial statements.

7. SUBSEQUENT EVENTS

Subsequent to year end, the commission reached an agreement on a severance package for the current general manager. The package includes a transfer of assets from the capital fund as well as four months salary and benefits up to ~~August 15~~ SEPT 12, 2000.